Union Calendar No. 76

105TH CONGRESS H. R. 1316

[Report No. 105-134]

A BILL

To amend chapter 87 of title 5, United States Code, with respect to the order of precedence to be applied in the payment of life insurance benefits.

June 18, 1997

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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105TH CONGRESS 1ST SESSION

H. R. 1316

[Report No. 105-134]

To amend chapter 87 of title 5, United States Code, with respect to the order of precedence to be applied in the payment of life insurance benefits.

IN THE HOUSE OF REPRESENTATIVES

April 14, 1997

Mr. Collins introduced the following bill; which was referred to the Committee on Government Reform and Oversight

June 18, 1997

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 14, 1997]

A BILL

To amend chapter 87 of title 5, United States Code, with respect to the order of precedence to be applied in the payment of life insurance benefits.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

1 SECTION 1. DOMESTIC RELATIONS ORDERS.

2	Section 8705 of title 5, United States Code, is amend-
3	ed—
4	(1) in subsection (a) by striking "(a) The" and
5	inserting "(a) Except as provided in subsection (e),
6	the"; and
7	(2) by adding at the end the following:
8	"(e)(1) Any amount which would otherwise be paid to
9	a person determined under the order of precedence named
10	by subsection (a) shall be paid (in whole or in part) by
11	the Office to another person if and to the extent expressly
12	provided for in the terms of any court decree of divorce,
13	annulment, or legal separation, or the terms of any court
14	order or court-approved property settlement agreement inci-
15	dent to any court decree of divorce, annulment, or legal sep-
16	aration.
17	"(2) For purposes of this subsection, a decree, order,
18	or agreement referred to in paragraph (1) shall not be effec-
19	tive unless it is received, before the date of the covered em-
20	ployee's death, by the employing agency or, if the employee
21	has separated from service, by the Office.
22	"(3) A designation under this subsection with respect
23	to any person may not be changed except—
24	"(A) with the written consent of such person, if
25	received as described in paragraph (2); or

- 1 "(B) by modification of the decree, order, or 2 agreement, as the case may be, if received as described 3 in paragraph (2).
- 4 "(4) The Office shall prescribe any regulations nec-
- 5 essary to carry out this subsection, including regulations
- 6 for the application of this subsection in the event that 2
- 7 or more decrees, orders, or agreements, are received with
- 8 respect to the same amount.".

9 SEC. 2. DIRECTED ASSIGNMENT.

- 10 Section 8706(e) of title 5, United States Code, is
- 11 amended—
- 12 (1) by striking "(e)" and inserting "(e)(1)"; and
- 13 (2) by adding at the end the following:
- 14 "(2) A court decree of divorce, annulment, or legal sep-
- 15 aration, or the terms of a court-approved property settle-
- 16 ment agreement incident to any court decree of divorce, an-
- 17 nulment, or legal separation, may direct that an insured
- 18 employee or former employee make an irrevocable assign-
- 19 ment of the employee's or former employee's incidents of
- 20 ownership in insurance under this chapter (if there is no
- 21 previous assignment) to the person specified in the court
- 22 order or court-approved property settlement agreement.".